

Trade Association Model for Industry Growth

Jeffrey M. Gallagher, CEO Virginia Bio

The basics - structure, leadership, legal status

- Non-profit corporation, member-based
- Members elect 24 member Board annually (3 year staggered terms)
- Board meets quarterly; elects 6 person Executive Committee (officers) to act as Board in between Board meetings
- Board appoints Advisory Committee and University Research Council
- Board hires CEO, who leads and oversees 2.5 additional staff and crafts with Board long range plan, annual goals and budget for Board approval
- IRC 501(c)(6) exempt organization (business association) (not charity)
- No PAC or electoral politics; organization informs members, who may support candidates

The basics – membership and activities

- 225 Member organizations
 - 125 bioscience companies (60% penetration)
 - Biopharma, med device, diagnostic, CRO, eHealth, bioinformatics, clinical innovators
 - Mostly startup, emerging, small and medium; few large
 - Universities and research institutions
 - Professional services, suppliers, finance
 - Annual dues, based on category and number of employees in Virginia
- Programs and services to help member organizations succeed
 - Networking events, educational series, group purchasing discounts
- Efforts to create / sustain conditions in which industry will flourish
 - Follow, attempt to influence state policy - “Virginia Bioscience Economy Initiative”
 - Follow and attempt to influence federal policy
 - Support economic development community, intrastate and interstate regionalism

The basics – STEM and Workforce efforts

- Separate non-profit corporation, non-member non-stock
- Recognized as a charitable exempt organization under IRC 501(c)(3)
- Contributions are deductible by donor as charitable contributions
- Operates under an affiliation agreement with VirginiaBio
 - Staffed by Virginia Bio staff
 - Directors of Foundation must be nominated by Virginia Bio board
- STEM strategy: empowering, equipping and enthusing teachers
- Workforce
 - Internship programs and database
 - Counsel and link universities and community colleges



The basics – income and expenses

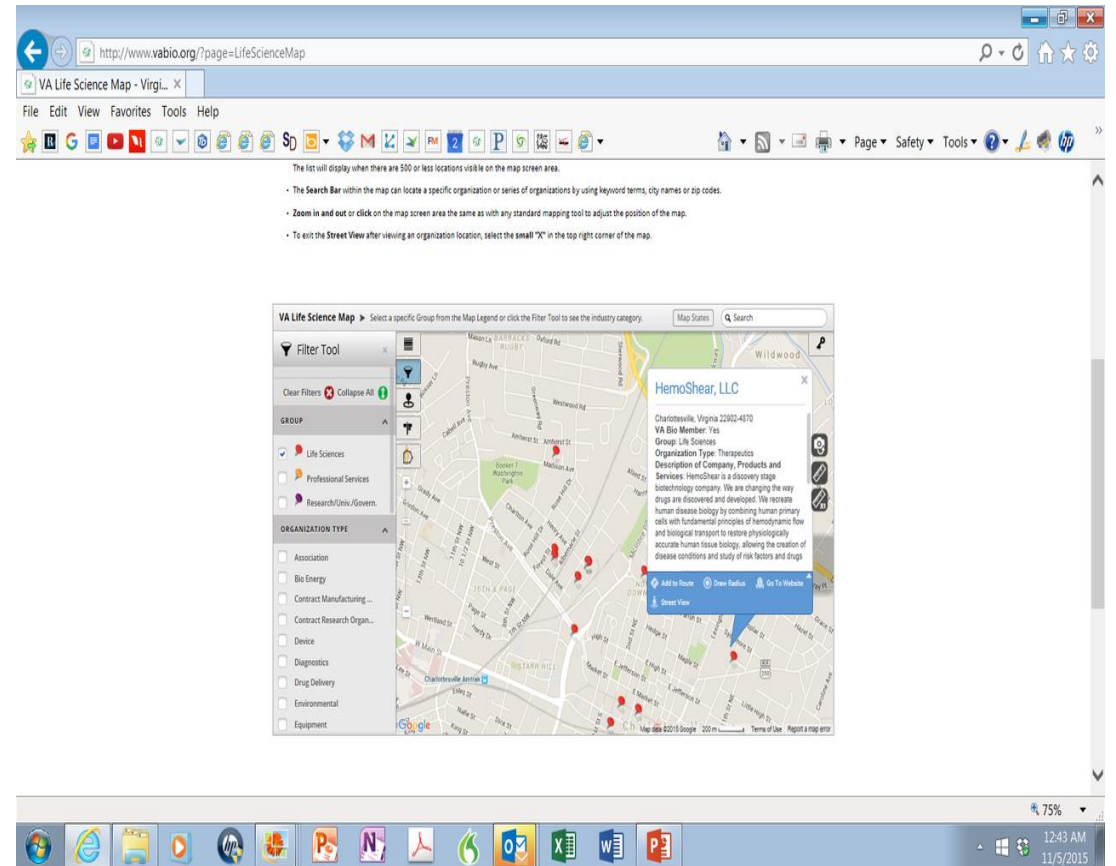
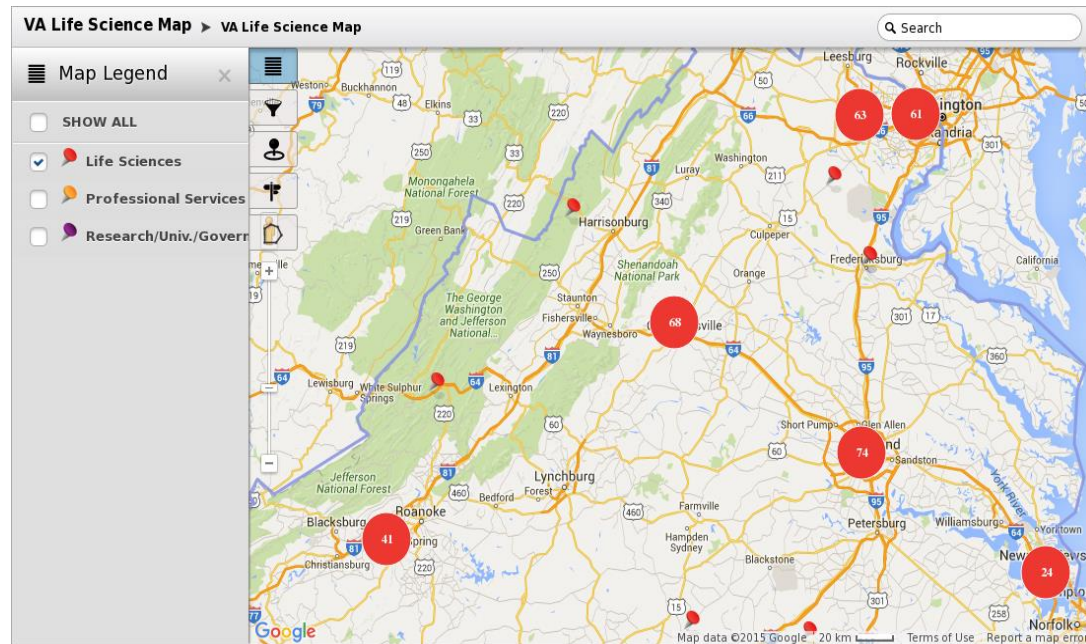
Income		Ordinary Income/Expense	
	4310 · Career Center Royalties		1%
	4900 · In-kind Income		1%
	4000 · Sponsorships		9%
	4100 · Events		34%
	4700 · Dividend Income		1%
	4300 · Biopurchasing Income		13%
	4500 · Membership Income		41%
	Total Income		100%
Expense			
	5400 · In-kind Expenses		1%
	5000 · Administrative Expense		13%
	5100 · Personnel Expense		58%
	5200 · Program Expenses		28%
	Total Expense		100%

The fun stuff – “the organizations and people who bring biosciences to life for the commonwealth”




Asset inventory - dynamic interactive accessible web based database / map

Search and Sort by Region, Type of Entity, Field, Key Words, Zoom in



Bringing everyone together with a purpose



April 23, 2015,
Chantilly, VA

THRiVE *Creating the future of
bioscience in Virginia*

See how you can
get involved!

Introducing communities for the first time



Creating new ways of thinking about ourselves



**GOVERNOR'S AGRICULTURE
&
INDUSTRIAL BIOTECHNOLOGY
CONFERENCE**

SAVE THE DATE
September 9, 2015

Institute for Advanced Learning and Research
Danville, VA

Please join Governor Terry McAuliffe and Secretary of Agriculture and Forestry Todd Haymore to kick off the Virginia AgBio Initiative - bringing together public and private partners engaged in the ag-bio sector across Virginia to steer this effort for domestic and international business development.

More details coming soon.

For more information and to register for the Governor's Agriculture and Industrial Biotechnology Conference, please visit vabio.org/event/AgBioConference.



New approaches to chronic problems



Bridging to Capital

JP Morgan Healthcare Conference Week
San Francisco **January 10-14 2016**

January 10 Reception & Complimentary Meeting Space for Members

 **virginia.bio**

 **UNIVERSITY of VIRGINIA**
DARDEN SCHOOL OF BUSINESS

Weighing + / - of trade association model

- Agile and flexible
- Not bound by slow moving, stalemated political process
- Source of life is industry itself, closer to need, wrestles with the value proposition, driver of lasting progress
- Distance from policy makers provides greater range of motion in proposing / opposing policies
- More freedom to experiment and fail
- Less dependable funding
- Less convening power
- A hole remains in government for enduring center of expertise and accountability
- It takes work to row in the same direction, adopting a common goal rather than working in parallel play for individual goals
- Classic, narrow trade association role doesn't fully capture all benefits to the Commonwealth, and may be policy disconnects

Thank you

Jeffrey M. Gallagher, CEO Virginia Bio